THE CLAIMS

- (Amended) An apparatus for efficiently storing items for retrieval and distribution so as to reduce storage space and increase retrieval efficiency comprising:
 - a. A plurality of uniformly shaped containers adapted to be used fro storage of items wherein the containers are generally rectangular in a horizontal cross-section and comprise a front wall, a back wall and two side walls, and are generally rectangular in a vertical cross-section and comprise an opening in the top of the container through which the items will be placed into the container and an opening in the bottom of the container through which the items will be removed after being dispensed through the container by gravity; and
 - b. A plurality of racks on which the plurality of containers will be aligned in a uniform fashion so as to minimize the area required to contain the plurality of containers on the plurality of racks.
- 2) (Original) The apparatus according to Claim 1 wherein the containers further comprise a telescoping insert of rectangular cross-section adapted to be slidingly received through the opening in the top of the container such that the container can be extended in the vertical direction to increase storage capacity of the container.
- 3) (Original) The apparatus according to Claim 2 wherein the opening in the bottom of the containers further comprises a rectangular box-shape that protrudes from the front surface of the containers whereby a container of smaller volume than

each of the plurality of uniformly shaped containers comprising a generally rectangular cross-section can be stacked on top of the protruding rectangular box and the smaller storage container further comprises an opening at its top for the insertion of items to be stored and an opening at its bottom for retrieval of the stored items.

- 4) (Amended) A method for efficiently storing items for retrieval and distribution so as to reduce storage space and increase retrieval efficiency comprising the steps of:
 - a. Providing a plurality of uniformly shaped containers adapted to be used for storage of items wherein the containers are generally rectangular in a horizontal cross-section and comprise a front wall, a back wall, and two side walls, and are generally rectangular in a vertical cross-section and comprise an opening in the top of the container through which the items will be placed into the container through which the items will be removed after being dispensed through the container by gravity;
 - Providing a plurality of racks on which the plurality of containers will be aligned in a uniform fashion; and
 - c. Arranging the plurality of containers on the plurality of racks so as to minimize the area required to contain the plurality of containers on the plurality of racks.
- 5. (Original) The method according to Claim 4 wherein the containers further comprise a telescoping insert of rectangular cross-section adapted to be slidingly received through the opening in the top of the container such that the container

can be extended in the vertical direction to increase storage capacity of the container.

- 6. (Original) The method according to Claim 5 wherein the opening in the bottom of the containers further comprises a rectangular box-shape that protrudes from the front surface of the containers whereby a container of smaller volume than each of the plurality of uniformly shaped containers comprising a generally rectangular cross-section can be stacked on top of the protruding rectangular box and the smaller storage container further comprises an opening at its top for the insertion of items to be stored and an opening at its bottom for retrieval of the stored items.
- (Amended) An efficient method for fulfilling customer orders for stored items in a mail order warehouse comprising the steps of:
 - a. Providing a plurality of uniformly shaped containers adapted to be used for storage of items wherein the containers are generally rectangular in a horizontal cross-section and comprise a front wall, a back wall, and two side walls and are generally rectangular in a vertical cross-section and comprise an opening in the top of the container through which the items will be placed into the container and an opening in the bottom of the container through which the items will be removed after being dispensed through the container by gravity;
 - Providing a plurality of racks on which the plurality of containers will be aligned in a uniform fashion so as to minimize the area required to contain the plurality of containers on the plurality of racks; and

- c. Arranging the plurality of containers on the plurality of racks to minimize the distance between the plurality of containers so as to decrease the time it takes for a person to locate stored items to fulfill customer orders.
- 8) (Amended) A method for efficiently storing items in a retail store for display and dispensing to customers so as to reduce storage space and increase accessibility for the customers comprising the steps of:
 - a. Providing a plurality of uniformly shaped containers adapted to be used for storage of items wherein the containers are generally rectangular in a horizontal cross-section and comprise a front wall, a back wall and two side walls, and are generally rectangular in a vertical cross-section and comprise an opening in the top of the container through which the items will be placed into the container and an opening in the bottom of the container through which the items will be removed after being dispensed through the container by gravity;
 - Providing a plurality of racks on which the plurality of containers will be aligned in a uniform fashion; and
 - c. Arranging the plurality of containers on the plurality of racks so as to minimize the area required to contain the plurality of containers on the plurality of racks.
- 9. (Original) The method according to Claim 8 wherein the opening in the bottom of the containers further comprises a rectangular box-shape that protrudes from the front surface of the containers whereby a container of smaller volume than each of the plurality of uniformly shaped containers comprising a generally

rectangular cross-section can be stacked on top of the protruding rectangular box and the smaller storage container further comprises an opening at its top for the insertion of items to be stored and an opening at its bottom for retrieval of the stored items.

- 10. (Original) A method for efficiently storing items in a retail store for display and dispensing to customers so as to reduce storage space and increase accessibility for the customers comprising the steps of:
 - a) Providing a plurality of uniformly shaped containers adapted to be used for storage of items wherein the containers are generally rectangular in a horizontal cross-section and generally rectangular in a vertical crosssection and comprise an opening in the top of the container through which the items will be placed into the container and an opening in the bottom of the container through which the items will be removed after being dispensed through the container by gravity;
 - Providing a plurality of racks on which the plurality of containers will be aligned in a uniform fashion; and
 - c) Arranging the plurality of containers on the plurality of racks so as to minimize the area required to contain the plurality of containers on the plurality of racks.
- 11. (Original) The method according to Claim 10 wherein the containers further comprise a telescoping insert of rectangular cross-section adapted to be slidingly received through the opening in the top of the container such that the container

can be extended in the vertical direction to increase storage capacity of the container.

12. (Original) The method according to Claim 11 wherein the opening in the bottom of the containers further comprises a rectangular box-shape that protrudes from the front surface of the containers whereby a container of smaller volume than each of the plurality of uniformly shaped containers comprising a generally rectangular cross-section can be stacked on top of the protruding rectangular box and the smaller storage container further comprises an opening at its top for the insertion of items to be stored and an opening at its bottom for retrieval of the stored items.